



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued February 8, 2012

Cape and Islands District Attorney's Office

For the period July 1, 2010 through June 30, 2011



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The Cape and Islands District Attorney's Office (CIDA) was established under the provisions of Chapter 12, Section 13, of the Massachusetts General Laws, which provides for the administration of criminal law and the defense of civil actions brought against the Commonwealth in accordance with Chapter 258 of the General Laws (claims and indemnity procedures for the Commonwealth, its municipalities, counties and districts, and the officers and employees thereof). As of June 30, 2011, the CIDA had 55 employees, including 23 prosecutors/assistant district attorneys, with offices located in Barnstable, Falmouth, and Orleans. The CIDA's jurisdiction covers all of Barnstable, Dukes, and Nantucket Counties and includes court cases that are adjudicated in various district courts located in the aforementioned towns as well as on the islands of Nantucket and Martha's Vineyard. CIDA's principal administrative and accounting office is located in West Barnstable.

In accordance with Chapter 11, Section 12, of the General Laws, the Office of the State Auditor has conducted an audit of the CIDA for the period July 1, 2010 through June 30, 2011. The purpose of the audit was to review internal controls over financial and program activities at the CIDA to determine whether financial records are accurate, up-to-date, and maintained in accordance with established criteria; costs and expenditures, including payroll and administrative costs, are appropriate and reasonable; controls over revenues, including forfeited funds, were proper and adequate; and the internal control structure is suitably designed and implemented to safeguard the CIDA's assets in compliance with the Office of the State Comptroller's (OSC) Internal Control Guide and Chapter 647 of the Acts of 1989, An Act Relative to Improving the Internal Controls within State Agencies. In addition, our audit focused on issues that were identified in our prior audit (No. 2008-1263-3S) of the CIDA.

As a result of our audit of the financial and management controls over certain operations of the CIDA for the period July 1, 2010 through June 30, 2011, we have determined that the CIDA maintained adequate management controls and complied with applicable laws, rules, and regulations for the areas tested.

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Our prior audit report of the financial and management controls over certain operations of the CIDA made recommendations for the CIDA to update its Internal Control Plan to comply with the OSC's guidelines and Chapter 647 of the Acts of 1989. Our current audit found that the CIDA has implemented our prior recommendations.

INTRODUCTION

Background

The Cape and Islands District Attorney's Office (CIDA) was established under the provisions of Chapter 12, Section 13, of the Massachusetts General Laws, which provides for the administration of criminal law and the defense of civil actions brought against the Commonwealth in accordance with Chapter 258 of the General Laws (claims and indemnity procedures for the Commonwealth, its municipalities, counties and districts, and the officers and employees thereof). As of June 30, 2011, the CIDA had 55 employees, including 23 prosecutors/assistant district attorneys, with offices located in Barnstable, Falmouth, and Orleans. The CIDA's jurisdiction covers all of Barnstable, Dukes, and Nantucket Counties and includes court cases that are adjudicated in various district courts that are located in the aforementioned towns as well as on the islands of Nantucket and Martha's Vineyard. CIDA's principal administrative and accounting office is located in West Barnstable.

For fiscal year 2011, the CIDA received state maintenance appropriations totaling \$3,445,389 to fund its administrative operations. In addition, the CIDA received \$332,193 in special state appropriations and funding from other sources to support various programs, including state police overtime for investigations, crisis and violence intervention, protection of elders and persons with other disabilities, sexual abuse intervention network, consumer protection, violence against women, and other programs. Pursuant to the CIDA's mission of the administration of the criminal laws of the Commonwealth, the CIDA deposited \$366,168 during the period July 1, 2010 through June 30, 2011 in court-awarded forfeited funds with the Office of the State Treasurer. Each case must be fully adjudicated before the asset is considered forfeited. These funds may be used for many purposes as set forth in Chapter 94C, Section 47, of the General Laws, such as defraying the costs of protracted investigations, providing the CIDA with technical equipment or expertise, providing matching funds to obtain federal grants, or such other law enforcement purposes as the District Attorney deems appropriate. The District Attorney may also expend up to 10% of the funds for drug rehabilitation, drug education, and other anti-drug or neighborhood crime watch programs that further law enforcement purposes.

Audit Scope, Objectives, and Methodology

In accordance with Chapter 11, Section 12, of the General Laws, the Office of the State Auditor conducted an audit of the financial and management controls over certain operations of the CIDA for the period July 1, 2010 through June 30, 2011. The scope of our review included an examination of financial and management controls over certain operations of the CIDA.

We conducted this performance audit in accordance with applicable generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of our review were to:

- Review financial records to determine whether they are accurate, up-to-date, and maintained in accordance with established criteria.
- Review office costs and expenditures including payroll, program, and administrative costs to determine whether they are appropriate and reasonable.
- Review advance expenses to determine whether they are processed properly and all supporting documentation is on file.
- Review controls over revenues, including forfeited funds and grants to determine if funds are proper and adequate.
- Review CIDA's inventory controls system to determine whether it is adequate to safeguard supplies and equipment.
- Review the procurement process to verify compliance with state laws and regulations.
- Review funds received from the Witness Protection Board to determine whether controls are adequate and funds are properly utilized for their intended purposes.
- Review the CIDA's internal control plan to determine whether it is up-to-date, suitably designed and implemented to safeguard Commonwealth assets, and in compliance with the Office of the State Comptroller's Internal Control Guide for Departments and Chapter 647 of the Acts of 1989, An Act Relative to Improving the Internal Controls within State Agencies.

- Review the District Attorney's operation of community-based juvenile justice programs to determine if they are being operated in accordance with Chapter 12, Section 32, of the General Laws.
- Follow up on the issues contained in our prior audit of the CIDA (No. 2008-1263-3S).

To accomplish our objectives, we conducted interviews with management and staff and reviewed prior audit reports, spending plans, applicable laws and regulations, and fiscal monitoring reports. We also obtained and reviewed policies and procedures, accounting records, and supporting source documents and performed tests of these records and transactions, where necessary. At the conclusion of our audit, we met with the District Attorney, Chief Financial Officer, and the Fiscal Accounting Officer to discuss the contents of the report.

As a result of our audit of the financial and management controls of the CIDA for the period from July 1, 2010 through June 30, 2011, we have determined that the CIDA maintained adequate management controls and complied with applicable laws, rules, and regulations for the areas tested.

AUDIT RESULTS

PRIOR AUDIT RESULT RESOLVED – INTERNAL CONTROL PLAN UPDATED

Our prior audit report (No. 2008-1263-3S) of the financial and management controls over certain operations of the Cape and Islands District Attorney's Office (CIDA) for the period July 1, 2007 through March 31, 2008 made recommendations for the CIDA to update its Internal Control Plan (ICP) to comply with the Office of State Comptroller's guidelines and Chapter 647 of the Acts of 1989. Our current audit determined that the CIDA has resolved this issue and that it currently:

- Utilizes definitive language that clarifies how the CIDA's control environment, operating structure, and policies and procedures act to control the risks (control activities), and links these statements throughout the ICP.
- Updates and revises its ICP to include a more comprehensive identification of the control activities used to mitigate the program risks identified in the areas of criminal case management and victim witness protection.
- Re-visits the identified risks to assess the need for modifying or adding additional risks identified within other areas of the agency's programmatic, fiscal, and administrative operations prior to adding any updates or changes. If deemed necessary, CIDA further develops and implements additional written internal controls to mitigate any new identified risks, providing management with the means to identify future control risks.
- Identifies and incorporates more specific references to information and communication systems in place that facilitate the daily activities within CIDA operations.
- Identifies to whom the ICP is to be distributed internally. CIDA also added language to ensure the availability of the ICP to all required by Chapter 647.